



IRISH LIFE WEEKLY INVESTMENT BULLETIN

The week that was – WEEK 20 (ending 13/05/2016)

" I am not young enough to know everything." – J M Barrie

Irish consumer spending increases by 9.7% in April – Visa Europe's Consumer Spending Index has shown that Irish consumer expenditure across all payment types (cash, cheques and electronic payments) rose 9.7% year-on-year during April, the second-strongest rise since data first calculated in September 2014.

Irish inflation falls 0.1% in year to April – According to the CSO (Central Statistics Office), Irish consumer prices decreased by 0.1% year-on-year in April, easing from a 0.3% drop in the previous month, as cost of transportation and housing fell at a slower rate. On a monthly basis, prices increased by 0.2% in April.

Greek parliament passes pension and tax reform bill – Greece's Parliament, by a narrow margin, approved a bill reforming the debt-ridden country's pension and tax systems. The bill, introduced as part of the third international bailout, increases social security and pension contributions and raises taxes for most people.

Global stock market down slightly during the week – Markets moved slightly lower during the week, with the MSCI World Index down 0.2% from 9th May to 13th May in local currency terms. The Nasdaq was down 0.7% whereas the Japanese Nikkei 225 was the best performing of the main markets with a rise of 1.2%.

Reuters poll says Fed to delay U.S. rate hike until September – A Reuters poll of economists said the U.S. Federal Reserve will likely wait until September before raising interest rates again, stretching to nine months the time since its first hike in nearly a decade. They will wait for clear signs inflation is picking up.

U.K. retailers record biggest drop in sales in eight months – New figures from the BRC (British Retail Consortium) show sales fell 0.9% year-on-year in April, extending the 0.7% decline recorded in March and marking the largest fall since August 2015. Uncertainty regarding the Brexit referendum is blamed by retailers.

The Story of the week: The Stress Management Center and Phobia Institute in North Carolina estimated that businesses lose up to \$900m in sales and productivity when the 13th of the month falls on a Friday as customers refrain from activities and nervous employees stay home from work. Paraskavedekatriaphobia is the fear of Fri 13th.

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Index Performances and Market Data*

Equity Markets % (in Local Currency)	2011	2012	2013	2014	2015	2016 YTD (to 13/05)
ISEQ Overall Return	2.6	20.5	35.8	16.8	33.6	-9.0
FTSE 100 TR	-2.2	10.0	18.7	0.7	-1.3	0.0
Euro Stoxx 50 TR	-14.1	18.1	21.5	4.0	6.4	-8.1
S&P 500 TR	2.1	16.0	32.4	13.7	1.4	1.0
Nasdaq Composite	-1.8	15.9	38.3	13.4	5.7	-5.8
Nikkei 225	-17.3	22.9	56.7	7.1	9.1	-13.8
MSCI Emerging Markets	-14.9	13.9	0.9	2.6	-8.0	-1.3
MSCI World	-7.6	13.1	26.2	7.7	0.2	-3.1
Sovereign 10yr Bond Yields (%)	2011	2012	2013	2014	2015	2016 YTD
U.S.	1.9	1.7	3.0	2.2	2.2	1.7
German	1.8	1.4	1.9	0.5	0.6	0.1
UK	2.0	1.9	3.0	1.9	1.9	1.4
Japan	1.0	0.7	0.7	0.3	0.2	-0.1
Ireland	8.4	4.5	3.4	1.3	1.1	0.8
Italy	7.1	4.6	4.1	2.1	1.6	1.5
Greece	31.7	12.7	8.2	9.6	7.9	7.3
Portugal	13.4	6.9	6.1	2.7	2.5	3.1
Spain	5.1	5.4	4.1	1.6	1.7	1.6
Central Bank Rates (%)	2011	2012	2013	2014	2015	2016 YTD
ECB	1	0.75	0.25	0.05	0.05	0.0
Bank of England	0.5	0.5	0.25	0.50	0.50	0.50
U.S. Federal Reserve	0.25	0.25	0.25	0.25	0.50	0.50
Foreign Exchange Rates	2011	2012	2013	2014	2015	2016 YTD
Euro/Dollar (€/\$)	1.30	1.31	1.37	1.21	1.09	1.13
Euro/Sterling (€/£)	0.83	0.81	0.83	0.78	0.75	0.79
Sterling/Dollar (£/\$)	1.55	1.61	1.65	1.56	1.46	1.44
IPD All Property Return (%)	2011	2012	2013	2014	2015	2016
Ireland	-2.4	3.1	12.7	40.1	25.0	2.9 (to end of Q1)
U.K.	8.1	2.7	10.7	17.8	13.1	1.1 (to end of Q1)
U.S.	14.5	5.3	11.4	11.2	12.1	2.1 (to end of Q1)

*Past performance is not a reliable guide to future performance